

## HUNGARIAN UNIVERSITIES IN MINTZBERG'S MODEL

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### ABSTRACT

Hungarian universities, just like all the higher education institutions all over the world, face a number of challenges that inevitably entail a change in their structure and operation. To manage the necessary changes successfully we have to understand the structure and operation of the institutions. We can do it in a more systematic way if it is carried out within the framework of the descriptive models that have been applied in organization science for a long time now. In my study I applied Henry Mintzberg's typology to characterize Hungarian universities. On the basis of Mintzberg's model we can conclude that Hungarian universities today are professional bureaucracies with all the shortcomings of this type of organizations.

### 1. MINTZBERG'S MODEL OF ORGANIZATIONAL TYPOLOGY

Henry Mintzberg (Mintzberg, 1979) identifies five types of organizations on the basis of their crucial structural characteristics. These include the following:

- a) simple structure
- b) machine bureaucracy
- c) professional bureaucracy
- d) adhocracy
- e) divisional structure

Of the above types of organizations, I have included machine bureaucracy, professional bureaucracy, and adhocracy in my analysis. I have ignored simple structure as the size and character involved makes this type irrelevant for an analysis of universities. Divisional structure, on the other hand, is not considered here because, while faculties of a university may be viewed as divisions, they represent, also in Mintzberg's view, only secondary types of organizations which are superimposed on another structure in which divisions themselves correspond to one of the basic forms.

The three types of organizations can be briefly characterized as follows.

#### a) machine bureaucracy

The machine paradigm, as exemplified by the traditional business organization, is the most familiar of these. Employees are organized in a vertically centralized structure of power and authority, with sharp distinctions between administrators and nonadministrators, as well as in a lateral division of labor based on functional groupings. Organizations based on this paradigm tend to rely on highly formalized policies and procedures governing production, measurement, and reporting; they tend to rely as well on a top-down pattern of strategy formulation, with a heavy emphasis on action planning and a sharp distinction between formulation (reserved for

administrators, increasingly so as one moves toward the organization's apex) and implementation (delegated to workers at lower levels of the structure).

Designed for efficient standardized production in relatively simple and stable environments, this form of organization also is well suited for environments characterized by strong external controls on the organization, where demands for accountability and performance monitoring, as well as a proliferation of externally imposed rules and explicit performance targets, create a perceived need to centralize power to standardize the organization's outputs and enforce production targets.

However, according to Mintzberg, this paradigm is not particularly well suited for problem solving. Its rigid division of labor, functional isolation and consequent "fragmentation" of the workforce, and sharp distinctions between administrators and nonadministrators create formidable problems of communication and coordination — severe problems if a complex and dynamic environment requires rapid innovation and adaptation.

#### b) professional bureaucracy

An alternative model of organization is that constituted by the professional paradigm, as exemplified by the traditional university. As compared to organizations based on the machine paradigm, this type of organization relies on a relatively decentralized structure of power and authority. Along with this decentralization, it exhibits a less pronounced distinction between administrators and nonadministrators than does the machine paradigm and a more conditional delegation of power and authority to administrators by the professionals over whom they serve.

Such organizations possess little in the way of neatly integrated decision-making and planning processes. Instead, highly trained and professionally socialized specialists are granted considerable autonomy and self-direction over their work (in a sense, formulation and implementation alike are carried out by these self-directed professionals). To the degree that a more integrated pattern of organizational planning can be discerned, this tends to be an aggregate of projects that individual professional entrepreneurs within the organization have convinced it to undertake over time.

Whereas standards in machine organizations are generated in top-down fashion by administrators and/or technical analysts, standards in professional organizations tend to be generated from outside the structure of the organization itself, principally by the professional associations and postgraduate programs associated with the profession. The work carried out by the professionals employed by such organizations tends to be too complex to be supervised directly by managers or standardized by analysts.

The professional organization is relatively effective in complex but stable environments.

#### c) adhocracy

A third and significantly less familiar organizational form is that constituted by the innovative paradigm or adhocracy, with high-tech research and development firms typically idealized as the paradigm's exemplars. This paradigm relies on a highly decentralized and flat structure of power and authority. The distinction between administrators and nonadministrators tends to be blurred; managers serve as functioning members of multidisciplinary project teams, responsible primarily for facilitating interaction between team members and for serving as liaisons between teams. The organization's specialists may be grouped in functional units for routine personnel



functions and professional development (with a high degree of horizontal specialization) but are typically deployed in multidisciplinary project teams.

Organizations based on this paradigm usually display relatively little in the way of formalized policies and procedures. Whereas strategy formulation in machine organizations is a top-down process, and in professional organizations is a bottom-up and highly individualized process, innovative organizations or adhocracies rarely evidence a process of strategy formulation in the classic sense (especially in terms of the conventional formulation-implementation dichotomy). Instead, goals and strategies evolve in a continuous and oftentimes disjointed fashion within the organization's multidisciplinary project teams.

The innovative organization is relatively effective at innovating within complex and dynamic environments. However, its advantages for innovating come with a price. As compared to both the machine and professional forms, it tends to be inefficient and somewhat awkward at completing ordinary tasks. Its relative lack of structure or clear lines of authority and power render it susceptible to a high degree of internal politics, with conflict and aggression erupting both within and between project teams. Its greater level of organizational ambiguity can take a psychological toll on workers. And finally, its reliance on the project team approach makes it prone to unbalanced workloads, forcing workers to alternately accommodate periods of overwork and inactivity. (Green, 2003)

On the basis of the chapters dealing with each type of organization, I have compiled a — somewhat inevitably over-simplified — table (Appendix 1) of the major structural features of the three types of organizations that are relevant for the topic at hand, and appear suitable for a comparison.

As regards a number of structural features, Mintzberg adheres to an approach that has by now become generally adopted in managerial science. However, he applies a specific view in terms of determining the basic parts of organizations, therefore, it appears necessary to give a brief overview about it for an understanding of what is explained afterwards.

He divides organizations into five basic parts. These include the following:

- a) strategic apex
- b) middle line
- c) operating core
- d) technostructure
- e) support staff

Strategic apex represents the top of an organization; here belong top management and related personnel.

Operating core is at the bottom of the organization, where the fundamental work processes take place: input is transformed into output.

The strategic apex is connected to the operating core through the middle line by way of top-down instructions and bottom-up reporting.

To the left of the middle line is the technostructure: that is where analysts perform work; they are involved in the standardization of work and ensure that the organization is adapted to the environment.

To the right of the middle line is the support staff: those working here assist in the work of the operating core indirectly.

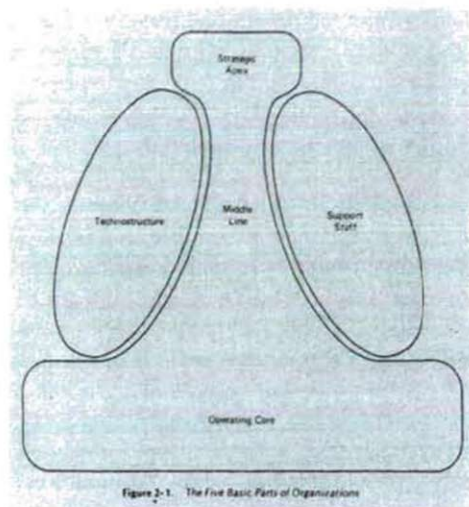


Figure 1: Basic parts of organizations  
(Source: Mintzberg, p. 20)

## 2. THE PLACE OF PRESENT-DAY HUNGARIAN UNIVERSITIES IN MINTZBERG'S MODEL: WEAKNESSES OF PROFESSIONAL BUREAUCRACY

Organization properties typical of Hungarian universities are indicated in the table in bold-italics font. This illustration clearly suggests that the universities by and large adhere to the professional bureaucracy type. This, as will be apparent later on, is also the reason for their weaknesses.

Of course, the most important part of a university is its operating core, in other words, the departments and institutes comprising the staff of academics. As a typical feature, one should mention the relatively large size and weight of the support staff (including various offices and other non-training organizational units), which is maintained separately from the operating core. The support staff, with its parallel hierarchic structure, differing culture, and rules of operation, is often involved in conflicts with the training units. Bringing these two subsystems closer to each other appears indispensable for operation at a higher level and realization of a service provider university.

As a characteristic feature of the universities, the various operating units deal exclusively with their own clients (students). Inter-faculty training is not a customary phenomenon and is usually associated with a lot of administrative problems. Training



students on a mutual basis, involving several faculties, may be accomplished only now, as a consequence of the switch to a Bologna type training system, and only in some majors (e.g., in teacher training). The present state of affairs also indicates fragmentation and wasting of the available resources, thus it is in complete contrast with the concept of „universitas”.

The primary coordinating mechanism that ensures appropriate operation of the system in a university is the standardized skills and knowledge of its employees. This is the coordinating mechanism that allows both for standardization and decentralization at the same time. An appropriate level of output in higher education is maintained by the fact that each instructor has acquired the skills required to perform work. These skills are determined in the application requirements for a vacancy, typically specified outside the university, with some space for action left for the university within the existing legal framework. These requirements are, similarly to other administrative rules initiated from the outside, rather inflexible in terms of space and time: they are not adapted to local needs and fail to respond to constantly changing challenges in a flexible way. Furthermore, these professional requirements relate only to the moment of awarding a job or a degree, thus they fail to foster continuous development.

There is a high level of division of labor and job specialization at the universities, which is a direct consequence of the type of activity involved. However, the fact that specialists in various fields mostly perform work in total separation from their peers is not at all explained by the type of their activity, neither does it increase the efficiency of the system. As there are several specialists in a university working within the same special field but in different units, there is an evident opportunity to cooperate within the area concerned. Nevertheless, a chance to capitalize on synergy effects offered by mutual work has been recognized only rarely. What is typical, instead, is professional jealousy and adherence to one's „ivory tower”.

Decentralization, too, is a natural phenomenon inherent in the high level of division of the university organization, and it is also manifest in the disadvantages from which decentralized organizations would suffer. As it were, decentralized organizations are only capable of working efficiently if they can adopt a common strategy which represents the long term interests of the organization as a whole, and the decentralized units are willing to set their particular interests aside and act for a common goal. This is, as a rule, not the typical case in the event of Hungarian universities. A question raised day in day out is whether a university is composed of faculties or the faculties have a university of their own.

Undoubtedly, power in Hungarian universities is assigned to the operating core: autonomy, a right granted through the Constitution, provides faculties, departments, and even certain academics, with a right to pass decisions in a number of administrative issues. They have the right to determine curricula, employment, promotion, and research projects. They manage their budgets and day-to-day operative work individually, elect their superiors and administrative managers. Power is essentially tied to expertise: an administrative manager can maintain power only if he or she is a qualified member in the professional field concerned and is either elected by the academic staff directly or, at least, the position is awarded upon their approval. Even this power is granted only informally: he or she can maintain his or her position as long as the academics feel that their interests are being represented in a satisfactory way. The

given kind of division of power is often contrary to the requirements of efficient operation.

Lack of central control is one of the basic features characteristic of Hungarian higher education. Control over an instructor's work is missing not only on the level of university management but also on the faculty and even department level. This, naturally, has its positive sides, as direct control makes creative work very difficult to accomplish. Yet, complete lack of performance criteria and performance assessment entails abnormalities of operation and is, in my opinion, the reason for an obvious absence of motivation of a part of the academic staff.

The organization of a university is bureaucratic in character, in other words, its typical features include formalization and standardization of the relevant procedures, associated with a high level of control, which is, obviously, a necessity called for the requirement to ensure appropriate quality of the output, given the mass production character inherent in higher education. Neither the current volume of activities, nor the size and articulated structure of the organization allow for an organic architecture. Nevertheless, typical disadvantages of a bureaucratic system must also be taken into consideration, including a level of innovative orientation and creativity that is lower than desirable. Regrettably, formalization is essentially antagonistic to the spirit of efforts aimed at education and research.

Since the main decision-making body of a university in Hungary is its senate consisting of faculty delegates, the decisions are passed in a democratic manner, on the basis of collective decision-making. While this appears appropriate from the point of view of principles, it also hinders efficient operation in a number of areas. The process of making decisions is slow, and aspects that are crucial for the organization as a whole often appear misrepresented. Frequently, there is a lack of required expertise as well. A direct consequence of collective (board-level) decision-making is collective lack of responsibility: if there is an issue for which 43 persons assume a liability that also means there is no one truly responsible for that issue. In fact, a "sabotage" of a decision has no consequences: a university in Hungary is an institution without consequences in a country without consequences. Administrative management can affect most decisions only indirectly, through its informal power, and has a chance of success only if it manipulates the process slowly, by stealth, through tricky manoeuvres.

Planning is not a typical feature of contemporary Hungarian universities. In part, this is due to a lack of predictability of the relevant external conditions. No long-term prognosis can be made regarding the market demand for the „product” concerned, that is, the requirements of the labour market. Legal regulations change all too often, reforms would come and go within the system of Hungarian higher education. The same is true for the prevailing financial conditions. Introducing or terminating payment of a tuition fee is a matter of a stroke of the pen, billions may be withdrawn from the university's budget through sending a simple letter. Unfortunately, the universities themselves often fail to effect planning even in situations where they could do so. For example, trends in the expected number of students to be admitted can be predicted with a relatively high level of certainty for a period of 18 years ahead: it is just sufficient to take a look at the number of children born in a given year. Creating strategies is not one



of the strengths of a university. Obviously, the problem is not with formulating a future vision for a given unit — there is no shortage in promising perspectives depicted on a rosy background. An organization strategy, on the other hand, cannot be construed as a mere accumulation of partial strategies. Priorities would have to be identified and less important areas would also have to be singled out. This is something universities are hardly ever able to do, owing to their decentralized structure and the democratic procedure of decision-making mentioned above.

University top management are often involved in the elimination of conflicts. A considerable part of their activities is assigned to resolving failures of operation and conflicts arising within the system. They play an important role along the organization boundaries: maintaining contacts between the organization and the world outside, representing the organization vis-à-vis the outside world. At present, top management of a university is also supposed (at least in principle) to assume a large number of roles — for example, entrepreneurial roles, or roles associated with the provision of resources or the management of crisis situations — these are, unfortunately, not yet included in the criteria applied in the course of selecting the management. (Top managers are also elected by the senate.)

Universities can be characterized by an informal, yet standardized attitude. The academic staff assumes a standard behaviour owing to the fact that they get socialized into that culture when they are admitted to the university, therefore they acquire the standards of behaviour necessary for a career as an instructor and researcher by the time they are ready to start their careers. Peer pressure is quite high: in this world, there is no room for being different, stirring up rebellion, or questioning authority. These features raise some doubt, at least in terms of a world that is advancing through impetus received from minds that are rebellious, thinking differently, questioning customary understandings.

As far as the external conditions are concerned, Mintzberg considers expert bureaucracy an ideal solution in a complicated, yet stable environment. Contemporary Hungarian universities, however, operate in a complicated environment that is changing dynamically and constantly. Thus moving toward an organizational type that is more suitable to these circumstances — that is adhocracy -- would be essential for Hungarian universities to be more competitive.

## **BIBLIOGRAPHY**

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## APPENDIX 1.

	MACHINE BUREAUCRACY	PROFESSIONAL BUREAUCRACY	ADHOCRACY
MOST IMPORTANT PART	technostructure	<i>operating core + separated support staff (machine bureaucracy) - 2 parallel hierarchies</i>	cooperating operating core + support staff
UNIT GROUPING	functional	<i>functional, but each unit deals with its own clients</i>	functional + market based (matrix, project team), flexible, self-renewing
COORDINATION	standardization of work processes	<i>standardization of knowledge and skills (from outside)</i>	mutual adjustment, cooperation
DIVISION OF LABOR, SPECIALIZATION	sharp	<i>significant</i>	no division of labor; specialized expertise united in teams
CENTRALIZATION/ DECENTRALIZATION	centralized	<i>decentralized</i>	<i>decentralized</i>
POWER	strategic apex: formal and informal; technostructure: informal	<i>operating core (oligarchy of professionals); administrative leaders: only formal</i>	no formal power; only expert power of professionals
CONTROL	strong	<i>no central control; professional autonomy</i>	professional self-control
FORMALIZATION, STANDARDIZATION	<i>highly bureaucratic</i>	<i>bureaucratic</i>	highly organic
DECISION MAKING	strategic apex, rational, action planning	<i>democratic, collective influence of professionals</i>	flexible, informal, on each levels, <i>no planning</i>
STRATEGY MAKING	strong distinction btw. formulation and implementation	<i>no planning; strategy hardly applicable, cumulative</i>	not conscious, piling up from the individual decisions
MANAGERIAL ROLES	fine tuning, coordinating and controlling middle managers	<i>disturbance handler, important roles at the borders of organization</i>	coordination, expert, <i>disturbance handler</i> , monitoring, entrepreneurial at the borders
BEHAVIOR	formal, <i>bottled conflicts</i>	<i>standardized, informal behavior; conflicts btw. the parallel hierarchies</i>	<i>informal</i> , positive, useful conflicts
EXTERNAL ENVIRONMENT	simple, stable	<i>complex, stable</i>	<i>complex, dynamic</i>